



# IOWA RECOVERY TIMES

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[www.rio.iowa.gov](http://www.rio.iowa.gov)

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## SMALL-PROJECT RENTAL REHABILITATION PROGRAM ANNOUNCED

Landlords struggling with the aftermath of the 2008 disasters will soon be getting some much needed assistance. On January 14, Governor Culver announced the new Rental Rehabilitation program to specifically help owners of

rental properties damaged by last year's severe storms and floods.

The Rental Rehabilitation program allows landlords to receive a forgivable loan for up to \$24,999 per unit for repairs. This non-receding loan will be forgiven in full at the end of a five-year

compliance period. Assistance is limited to projects of seven units or fewer.

"Landlords are currently not eligible for the Jumpstart program," said Governor Chet Culver.

"It is imperative that

*(Continued on page 3)*

## THE BLUE STRAWBERRY COFFEE COMPANY RECEIVES JUMPSTART ASSISTANCE

Another business has opened its doors thanks to funding from the Jumpstart Iowa Small Business Assistance Program.

Michael Monnahan, owner of The Blue Strawberry Coffee Company in downtown Cedar Rapids, was presented with a \$50,000 Jumpstart Iowa Small Business check on Jan. 15. The money will help him pay for repairs to the coffee shop, which is a hot spot in downtown Cedar Rapids. Monnahan's store suffered 41 inches of water in June. Monnahan initially thought he would have his business back up and running two or three days after the floodwaters



*Theresa Bornbach (left) of the Cedar Rapids Chamber of Commerce and Ann Poe (right), the RIO Cedar Rapids Liaison, present Michael Monnahan with a \$50,000 Jumpstart Iowa Small Business check.*

receded, but he had a change of mind once he saw just how badly his store was damaged. The basement was flooded and the water was 10 inches short of the tables on the first floor. Monnahan

also lost much of his equipment. He didn't make a decision to repair The Blue Strawberry Coffee Company until August.

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## REPORTING DISASTER ASSISTANCE THIS TAX SEASON

As disaster-affected Iowans approach tax season, the Rebuild Iowa Office and the Iowa Department of Revenue have additional information on how to report disaster assistance on federal returns.

Discussions with federal officials from the IRS have clarified that the financial assistance received under Jumpstart Housing and Small Business must reduce the amount of casualty loss allowed as a deduction on an individual's or small business's federal and Iowa income tax return. This is similar to how insurance proceeds reduce the amount of casualty losses allowed to be deducted. Support for this position can be found in Revenue Ruling 2005-46 and Revenue Notice 2003-18.

For example, \$10,000 of Jumpstart assistance received in 2008 for a \$40,000 casualty loss results in only \$30,000 allowed as a casualty loss on the federal and Iowa 2008 tax returns.

In instances where Jumpstart assistance was not received until 2009, the \$40,000 casualty loss can be deducted on the 2008 federal and Iowa returns, and the \$10,000 is reported as income on the 2009 federal and Iowa returns.

Individual FEMA assistance received is not considered taxable income.

Changes in federal income tax laws that benefit taxpayers affected by disasters in 2008 include:

- Eased casualty loss rules

- Enhanced depreciation
- Section 179 expensing for certain disaster property
- Relaxed rules for distributions from IRAs, 401(k), and other retirement plans.

The Iowa Legislature will decide this session if these changes will be allowed for Iowa tax purposes as well.

To contact the Taxpayer Services Section of the Department of Revenue about Iowa disaster relief provisions, call 800-367-3388, or 515-281-3114, or e-mail the department at [idr@iowa.gov](mailto:idr@iowa.gov). More information can also be found on the Department of Revenue Web site at [www.iowa.gov/tax](http://www.iowa.gov/tax).

## MAKING RECOVERY ACCESSIBLE TO EVERYONE: THE ADA CENTER

As communities begin their own rebuilding projects after the 2008 disasters, many will turn to the DBATC-Great Plains ADA Center for guidance in making their recovery accessible to everyone.

As a free resource to communities, the Great Plains ADA Center can help ensure that projects meet the Americans with Disabilities Act objectives by offering technical assistance and guidance during the critical steps of rebuilding.

"The Great Plains ADA Center is able and willing to do anything to

assist these efforts ensuring the inclusion of all Iowans in the structure and fabric of community life including disaster preparedness, recovery, and rebuilding design of physical structures and access to community programs," stated Jim de Jong, Director of the Great Plains ADA Center.

The Center is one of 10 regional centers and covers Iowa, Kansas, Missouri and Nebraska.

Funded by the National Institute on Disability and Rehabilitation Research (NIDRR), the DBATC-



Great Plains ADA Center provides information, materials and technical assistance to individuals and entities that are covered by the Americans with Disabilities Act (ADA). For more information, visit their Web site at [www.adaproject.org](http://www.adaproject.org) or call their toll-free information line 1-800-949-4232.

## HELPING IOWANS NAVIGATE THEIR RECOVERY

Last summer's disasters took a mental and emotional toll on thousands of affected Iowans. As residents begin to rebuild, they are often overwhelmed by the daunting task ahead of them. Fortunately, Disaster Recovery Case Management services are available for individuals still seeking assistance after the devastating storms and floods this past summer.

Disaster Recovery Case Management is provided through local Long-Term Recovery Committees, a consortium of non-profit and voluntary organizations, which have been providing services and support to individuals impacted by this disaster. These services provide individuals with the opportunity to discuss their needs related to the disaster in

confidence with a case advocate. Case advocates can help individuals develop a recovery plan, get connected to community resources and determine if any additional financial assistance is available to meet their needs. A case advocate offers the skills and experience necessary to help individuals weave through the maze of federal, state and local assistance programs and to help individuals identify and overcome the hurdles of the recovery process.

To get in touch with a local Long-Term Recovery Committee and a case advocate in your area, select the Disaster Recovery Case Management link on the Rebuild Iowa Office Web site at [www.rio.iowa.gov](http://www.rio.iowa.gov).

*“A case advocate offers the skills and experience necessary... to help individuals identify and overcome the hurdles of the recovery process.”*

### *Rental Rehabilitation (continued from page 1)*

owners of rental properties receive assistance during this disaster recovery process as well. The Rental Rehabilitation program allows landlords the ability to make repairs and increase the housing availability in and around flood-impacted areas.”

Like the Jumpstart Housing Program, the Rental Rehabilitation program will be administered by the 11 Council of Governments (COGs) and Entitlement Cities and is funded by Community Development Block Grant funds. The distribution of funds to various communities will be based on the need in that area.

Rental property owners have until Feb. 20 to apply for the first round of funding.

Eligible applicants must have been the property's owner of record prior to the disaster event and must be able to demonstrate the ability to fund ongoing operational expenses associated with the

rental property over the life of the forgivable loan.

Properties located within the 100-year floodplain cannot receive rental rehabilitation benefits unless they meet all Housing and Urban Development (HUD) environmental requirements, all applicable flood mitigation design standards and the property is insured by Federal Flood Insurance. Also, no rental rehabilitation benefits will be allowed for structures or projects located in a designated or proposed buy-out area.

Applications can be found on the Rebuild Iowa Office's Web site at [www.rio.iowa.gov](http://www.rio.iowa.gov) or by calling the Rebuild Iowa Office at (515) 242-5004. For more information on the Rental Rehabilitation program, including the full program guidelines, visit the Department of Economic Development's Web site at [www.iowalifechanging.com/flood.html](http://www.iowalifechanging.com/flood.html).

## The Rebuild Iowa Office



*The Rebuild Iowa Office is tasked with ensuring that the state rebuilds safer, stronger and smarter than before the 2008 disasters. The RIO is supported by a professional staff made up of existing state employees and hired full-time staff to allow it to achieve its mission, vision, goals and objectives. Throughout its initiatives, the RIO is committed to a recovery and rebuilding process that is fair and equitable to everyone.*

[www.rio.iowa.gov](http://www.rio.iowa.gov)

### REBUILD IOWA OFFICE

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Toll-free: 866.849.0323  
E-mail: [contact@rio.iowa.gov](mailto:contact@rio.iowa.gov)**

## KEEPING IOWA INFORMED

When individuals are seeking more information about the status of the state's recovery and rebuilding efforts, the first step is a visit to the Rebuild Iowa Office Web site.

Managed and updated in-house, the Rebuild Iowa Office Web site features the most recent recovery information including current disaster assistance data and figures,

Jumpstart information, press releases from the RIO and partnering agencies, and photos of the disaster and recovery efforts.

With all management done in-house, the RIO Web site is able to meet the needs of its visitors by responding to their concerns and developing new content to further explain developments in

disaster recovery.

The RIO has also been active in various social media outlets, including Facebook and Twitter, to offer more ways to receive updates and recent news.

For up-to-date news and events from the RIO, including links to the RIO in social media, visit the Rebuild Iowa Office Web site at [www.rio.iowa.gov](http://www.rio.iowa.gov).

### Blue Strawberry (from page 1)

"The most challenging part of rebuilding was retraining the new staff," said Monnahan. "We're basically starting over from the beginning again."

Monnahan employs between 10 and 15

employees between his shop at 118 Second St. SE in Cedar Rapids and his location inside the Eastern Iowa Airport.

Monnahan said since reopening his doors at the downtown location, he can't complain.

"Business has been good. We are very close to pre-flood sales levels," he said.

The Blue Strawberry Coffee Company is an upscale coffee house offering gourmet coffees, pastries, desserts and bistro-style entrees.

## Clip & Save...

### Federal Agencies

General FEMA Information	800.621.FEMA (3362)
TTY for hearing/speech impaired	800.462.7585
FEMA Fraud Detection	800.323.8603
National Flood Insurance Program	800.427.4661
TTY for hearing/speech impaired	800.427.5593
Social Security Administration	800.772.1213
U.S. Small Business Administration	800.659.2955
Internal Revenue Service	800.829.1040
TTY for hearing/speech impaired	800.829.4059
Tax-Related Disaster Relief	866.562.5227
Housing & Urban Development Hotline	800.669.9777
Department of Veterans Affairs	800.827.0648

### Iowa Contacts

For up-to-date disaster and recovery information visit the Rebuild Iowa Office Web site at [www.rio.iowa.gov](http://www.rio.iowa.gov).

To volunteer or make donations, contact:  
Iowa Concern Hotline 800.447.1985

If you have questions about consumer fraud, contact:  
Attorney General's Consumer Protection Division  
888.777.4590 or 515.281.5926 or  
[www.state.ia.us/government/ag/](http://www.state.ia.us/government/ag/)

Disaster Unemployment Information	800.JOB.IOWA
Iowa Mortgage Help	877.622.4866 or <a href="http://www.IowaMortgageHelp.com">www.IowaMortgageHelp.com</a>
Rebuild Iowa Office	866.849.0323
Iowa Other Needs Assistance	800.659.2955
Other Needs Assistance	866.434.4692